

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 03956 130344Z
ACTION EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 AGRE-00 CIAE-00 COME-00
INR-10 LAB-04 NSAE-00 SP-02 STR-07 TRSE-00 FRB-03
OMB-01 L-03 SS-15 NSC-05 /082 W
-----085969 130350Z /65
R 130245Z MAR 78
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 2797
INFO USMISSION GENEVA

LIMITED OFFICIAL USE MANILA 3956

GENEVA FOR PHELAN

E.O. 11652: NA
TAGS: ETRD, US, RP
SUBJECT: TEXTILES: U.S. PHILIPPINE BILATERAL TEXTILE AGREEMENT
GOP DEPARTMENT OF TRADE ASSUMES FULL RESPONSIBILITY FOR IMPLEMENTATION OF TEXTILE AGREEMENTS

1. ON MARCH 2, PRESIDENT MARCOS ISSUED LETTER OF INSTRUCTIONS NO. 676, THE OPERATIVE PARAGRAPH OF WHICH READS AS FOLLOWS: QUOTE: THE DEPARTMENT OF TRADE, THROUGH THE UNDERSECRETARY OF TRADE, SHALL IMPLEMENT THE INTERNATIONAL TRADE AGREEMENTS ON TEXTILE AND GARMENTS BETWEEN THE PHILIPPINES AND THE EUROPEAN ECONOMIC COMMUNITY AND OTHER COUNTRIES AND FORMULATE GUIDELINES THEREFOR. UNQUOTE. THE LETTER OF INSTRUCTIONS WAS PUBLISHED IN THE MORNING NEWSPAPER, BULLETIN TODAY OF MARCH 9 ALONG WITH A DEPARTMENT OF TRADE (DOT) ADMINISTRATIVE ORDER DATED MARCH 4, 1978 WHICH PROVIDES BRIEF IMPLEMENTING REGULATIONS.

2. THE LETTER OF INSTRUCTIONS EFFECTIVELY DIS-ESTABLISHES THE TEXTILEEXPORT BOARD (TEB), AND REASSIGNS THE BOARD'S FUNCTIONS TO THE DEPARTMENT OF TRADE. AT PRESENT, FORMER TEB EXECUTIVE DIRECTOR EDUARDO SANCHEZ, ALONG WITH HIS KEY ASSISTANTS,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 03956 130344Z

MISS ENCARNACION SANTOS AND ALICIA DE LA CRUZ, ARE SITTING IN THE DEPARTMENT OF TRADE. THERE REMAINS THE POSSIBILITY, HOWEVER, THAT THE NEW GARMENT AND TEXTILE OFFICE WILL BE REORGANIZED UNDER NEW MANAGEMENT. THE DOT ADMINISTRATIVE ORDER SPECIFICALLY DIFFERENTIATES "OLD MANUFACTURERS" AND "NEW MANUFACTUERS", APPARENTLY, WITH THE INTENTION OF STRUCTURING QUOTA ALLOCATION IN THE FUTURE SO THAT

"NEW ENTRANTS" INTO THE INDUSTRY WILL HAVE BETTER ACCESS
TO THE QUOTA YARDAGE.

3. THIS LETTER OF INSTRUCTIONS SIGNALS A VICTORY FOR
UNDERSECRETARY OF TRADE VICENTE VALDEPENAS IN HIS
INTERNAL POWER STRUGGLE WITH UNDERSECRETARY OF FINANCE
ALFREDO PIO DO RODA, HEAD OF THE TEB. IT ALSO APPEARS
TO MARK A LOSS OF POWER FOR THE "OLD MANUFACTURERS" AND
AN INCREASE IN INFLUENCE FOR THOSE SECTORS OF GOVERNMENT
AND INDUSTRY WHO HAVE BEEN PROMOTING A MUCH MORE AGGRESSIVE
POLICY OF EXPANSION IN EXPORTS FOR THE TEXTILE INDUSTRY.
IT IS DIFFICULT TO TELL AT THIS POINT HOW NEW ORDER
WILL AFFECT THE RELATIONSHIP BETWEEN THE "TRADITIONAL" AND
"NON-TRADITIONAL" MANUFACTURERS. EMBASSY OFFICER WILL TAKE
A WIDE SAMPLING OF INDUSTRY OPINION OVER THE NEW FEW DAYS AND
REPORT FINDINGS.

4. IT IS ALREADY EVIDENT, HOWEVER, THAT UNDERSECRETARY
VALDEPENAS TAKES HIS NEW ROLE AS "TEXTILE CZAR"
SERIOUSLY. THE UNDERSECRETARY IS AN ABLE ENERGETIC AND
AMBITIOUS MAN (WITH A DOCTORATE IN ECONOMICS FROM
CORNELL) WHO COMBINES A SMOOTH PERSONALITY WITH A QUICK
MIND. VALDEPENAS ALMOST CERTAINLY WILL BE CHAIRMAN OF THE
GOP DELEGATION RESPONSIBLE FOR RENEGOTIATION OF
OUR TEXTILE BILATERAL LATER THIS YEAR. THE NEW CHAIRMAN
REPRESENTS ONE MORE REASON WHY THESE RENEGOTIATIONS WILL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 03956 130344Z

BE HARD FOUGHT.
NEWSOM

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, AGREEMENTS, TRADE
Control Number: n/a
Copy: SINGLE
Draft Date: 13 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANILA03956
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780111-0128
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780376/aaaacmfh.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 954d74c8-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3353716
Secure: OPEN
Status: NATIVE
Subject: TEXTILES: U.S. PHILIPPINE BILATERAL TEXTILE AGREEMENT GOP DEPARTMENT OF TRADE ASSUMES FULL RESPONSIBILITY FOR IMPLEMENTATION OF TEXTILE AGREEMENTS
TAGS: ETRD, US, RP
To: STATE
Type: TE
vdkgvkey: odbcr//SAS/SAS.dbo.SAS_Docs/954d74c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014